

COMMONWEALTH OF VIRGINIA
STATE CORPORATION COMMISSION

AT RICHMOND, APRIL 25, 1974

ADMINISTRATIVE ORDER NO. 6847

ORDER SUSPENDING THE REQUIREMENTS OF FILING CERTAIN RATES FOR POLICIES COVERING LOSS OR DAMAGE TO PROPERTY BY FIRE OR EXTENDED COVERAGE OR VANDALISM AND MALICIOUS MISCHIEF WHEN WRITTEN AS EXCESS OVER BASIC PROPERTY INSURANCE PURSUANT TO THE PROVISIONS OF § 38.1-259 [RECODIFIED AS § 38.2-2010] OF THE CODE OF VIRGINIA, AND CONTINUING A STANDARD ENDORSEMENT FORM FOR USE IN CONNECTION THEREWITH.

WHEREAS, It appearing to the Commission that the Virginia Property Insurance Association, operating under Chapter 19, Title 38.1 [recodified as Chapter 27, Title 38.2] of the Code of Virginia, can provide coverage for Basic Property Insurance as defined in § 38.1-747 [recodified as § 38.2-2701] and as provided in the Vandalism and Malicious Mischief Endorsement on property with an amount per location not exceeding \$500,000 [increased to \$1,000,000] for Commercial risks and \$100,000 [increased to \$300,000] for Habitational risks; and

WHEREAS, It appears from an investigation by the Bureau of Insurance that in certain instances there are owners and trustees of property who require coverage in excess of the amount available through the Virginia Property Insurance Association; and

WHEREAS, It further appears that where such excess coverage is required that the rates for writing the desired excess insurance should be suspended pursuant to the provisions of § 38.1-259 [recodified as § 38.2-2010] of the Code of Virginia;

IT IS, THEREFORE, ORDERED:

(1) That pursuant to the provisions of § 38.1-259 [recodified as § 38.2-2010], the filing requirements of Chapter 6 of Title 38.1 [recodified as Chapter 20 of Title 38.2] for

policies covering loss or damage from perils included under "Basic Property Insurance" and as provided in the Vandalism and Malicious Mischief Endorsement, when written on an excess basis where underlying insurance of the maximum amount available has been provided by the Virginia Property Insurance Association, be, and they hereby are, suspended by the entry of this order, until the further order of the Commission; and

(2) That the rates affected by this order and hereafter used by insurers shall not be excessive, inadequate, or unfairly discriminatory, and the Commission hereby reserves the right, either upon its own motion or upon complaint, to make such examination or investigation with respect thereto as it may deem advisable or necessary in order to determine whether any rates affected by such suspension may be, or may become, excessive, inadequate, or unfairly discriminatory.

(3) That the FAIR Plan Excess Form A-5467, heretofore established as a standard form of endorsement for use on all insurance contracts issued to provide such excess coverage, is continued in effect.

AN ATTESTED COPY hereof shall be sent to the Virginia Property Insurance Association; to every rate service organization licensed in this State; to every insurance company licensed to write Fire Insurance in this State; and, to the Bureau of Insurance.